



“Who comes out ahead?” (BFuP)



In this article, recently published in *Betriebswirtschaftliche Forschung und Praxis* (BFuP), DART alumni Peter Krenn and Martina Rechbauer and Silke Runger (both Institute of Accounting and Taxation) empirically examine determinants of firms’ win rates in tax-law cases at the Austrian supreme court. They use a sample of supreme court tax-law decisions regarding taxable income over the years 2003–2018 and show that a significant effect on a firm’s win rate can only be found for the location of the lower tax court. Their study helps firms to estimate win rates in supreme court tax-law decisions more precisely and gives an indication of when to appeal to the supreme court. Their results suggest that the decision to bring a tax-law case to the supreme court has to be based on case-specific characteristics only instead of firm-specific characteristics.

IASB&EFRAG@AFRAC2020

On November 6th, AFRAC held its annual IASB&EFRAG@ARFRAC event, which again provided an opportunity to discuss recent accounting developments with members of the IASB and EFRAG. Several DART-students participated in the online event, which was chaired by CAR’s Alfred Wagenhofer, chairman of AFRAC’s International Financial Reporting working group. This year’s event again focused on two discussion topics. First, Tom Scott (IASB member) and Dehao Fang (IASB technical staff) discussed the IASB’s work plan, including proposals for improving business combinations accounting. Then, Jean-Paul Gauzès (EFRAG Board President), Chiara del Prete (EFRAG-TEG chair), and Saskia Slomp (EFRAG CEO) discussed EFRAG’s work plan and the Non-Financial Reporting Initiative.

Participation in DAR and DART Courses

In early October, DART offered a course on “Empirical Accounting Research”, held by Jurgen Ernstberger (TU

Munich) at the University of Graz. 2nd-year DART-students took an active part in the course as they prepared presentations on the papers and discussed the results and research design choices. The course covered a wide array of research topics, including accounting regulation, auditing, CSR disclosure, and earnings quality.

Mid-October, several DART-students had the opportunity to participate in the course “Market-Based Research in International Accounting, Part I: Foundations & Basic Concepts” hosted by DART’s partner network DAR, located at the University of Zurich. The seminar was held online by Prof. Luzi Hail (University of Pennsylvania) with emphasis on empirical accounting research on voluntary disclosure, disclosure and cost of capital, real effects of financial reporting, and CSR reporting. The format of the seminar included presentations of participants and lively discussions on the assigned papers. Additionally, the seminar participants independently formed groups to work on a statistical programming task.

Shortly after, Hareesh Sapra (University of Chicago) gave a course in “Analytical Research in Financial Accounting: Accounting Disclosure and Measurement Issues”. The course, again held online, focused mainly on higher-order beliefs, the value of public and private information, and price efficiency. Several DART-students participated in the course and benefited greatly from Sapra’s expertise. During the seminar, Sapra also presented a working paper titled “Timely Loan Loss Provisioning and Bank Regulation” as part of the DAR&DART Accounting Theory Seminars.

Wage Inequality, Labor Market Polarization and Skill-Biased Technological Change (CE)



In this paper, recently published in *Computational Economics* (CE), Timon Scheuer (Institute of Accounting and Taxation) and Patrick Mellacher (University of Graz) developed a model that features an endogenous innovation process in the evolutionary tradition based on invention and imitation. They introduce heterogeneous labor to the replicate. Based on a number of other stylized facts, the

model generates wage inequality and labor market polarization due to skill-biased technological change. In the given environment policies that only aim at increasing the relative wages of low- and medium-skilled workers prove to be ineffective to combat inequality in the long run on their own. In order to be effective, those policies must be combined with educative measures that allow workers to adapt to the changes in labor demand.

IASB/ABR Research Forum

Every year, the IASB holds a Research Forum with accounting academics across the world to discuss research relevant to IFRS related projects in conjunction with an academic journal. Participation is by invitation only and consists of half academics and half standard setters. This year's Forum was held online on 2-3 November 2020 with four academic papers and two panel sessions on research opportunities. See <https://www.ifrs.org/news-and-events/2020/iasb-research-forum-2020/>. The forum was under the auspices of Accounting and Business Research (ABR), which will produce a special issue with the papers in the Research Forum next year. CAR's Alfred Wagenhofer is one of the special issue editors of ABR (together with Per Olsson, ESMT, and Peter Joos, Insead), who organized the reviews of the submitted papers and selected the presented papers.

XVI. Summer School on Accounting 2020

In early October, several DART-students participated in the "XVI. Summer School on Accounting 2020", organized by Thomas Pfeiffer at the University of Vienna. Stefan Reichelstein (University of Mannheim) and Anna Rohlfing-Bastian (Goethe University of Frankfurt) gave a lecture on "Accounting for Capacity Investments", focusing on the importance of upfront and reoccurring investments for the provision of goods and services. The papers discussed in the course mainly focused on the role of accounting for a firm's capital stock for planning and management control purposes. In addition, the presenters provided the participants with interesting insights into the accounting research and publication process.

Research Workshop at WU Vienna

CAR's Alfred Wagenhofer was invited to present at the Seminar series of the Institute for Strategy and Managerial Accounting at the Vienna University of Economics and Business on October 8, 2020. He presented his paper "Optimal Internal Control Regulation: Standards, Penalties, and Leniency in Enforcement" (joint with Stefan Schantl, University of Melbourne and DART alumni) and also held office visits online.

Negin Attar selected for postdoc position



I moved to Austria four years ago to join the DART program. Despite the challenges of pursuing a Ph.D. and adapting to a new culture, the welcoming working environment made my transition more comfortable and a lot more pleasant than I expected. Over the past four years, I have extensively enhanced my research skills, among others, through meeting and working with extraordinary researchers. Additionally, I have expanded my international network via visiting recognized international institutions and attending national and international workshops and conferences. My remarkable experience with the DART program further fortified me to continue my academic career. I, therefore, am very grateful that I have been selected as a Post-Doc at Johannes Kepler Universität Linz at the Institute of Accounting and Auditing. My primary job responsibilities will be leading a team of researchers in conducting high-quality research, further enrich my research, and teach bachelor and master courses. This position will allow me to enhance my leadership skills, expand my network further, and gain teaching experience. At the same time, I am particularly encouraged to conduct and improve my research. I especially thank Professor Ewert and Professor Wagenhofer, in addition to my colleagues, for making my experience at the DART program exceptional.

Imprint:

Professor Dr. Dr. h.c. Alfred Wagenhofer
Center for Accounting Research
Karl-Franzens-Universität Graz
Universitätsstraße 15/FE
8010 Graz

tel 0316 380 3500
e-mail car@uni-graz.at
web <http://car.uni-graz.at>

Editor-in-chief: Alfred Wagenhofer

Contributors: Negin Attar, Martin Klösch, Thomas Müllner, Martina Rechbauer, Silke Rügner, Timon Scheuer, Theresa Wittreich, Alfred Wagenhofer

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